

Interim Report

for the six months to 30 June 2009

Distinctive. Choice.



JARDINE LLOYD THOMPSON GROUP PLC

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31st July 2009

JARDINE LLOYD THOMPSON GROUP plc
UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS TO 30th JUNE 2009
"Continued Strong Growth"

Jardine Lloyd Thompson Group plc ("JLT" or "the Group") the international group of Risk Specialists and Employee Benefits Consultants, today announces interim results for the six months ended 30th June 2009.

Financial Summary

	6 months to 30 th June		
	2009	2008	Change
	£m	£m	
• Fees and commissions	309.7	266.2	16%
• Underlying trading profit *	54.7	44.0	24%
• Profit before tax	61.3	53.4	15%
• Underlying profit before tax *	59.7	53.4	12%
• Diluted Earnings Per Share	19.9p	17.3p	15%
• Underlying diluted Earnings Per Share *	19.3p	17.3p	12%
• Interim Dividend Per Share	8.5p	8.5p	-

* Underlying results exclude any exceptional items

Highlights

- Strong trading performance with turnover up 16% including organic growth of 5%.
- Underlying trading profit up 24% with trading margin improving 120 bps from 16.5% to 17.7%.
- Continued excellent growth in Risk & Insurance with turnover up 19%, including organic growth of 6% and an improved trading margin of 21%.
- JLTRe turnover up 39% including strong organic growth of 13%.
- Employee Benefits turnover up 1% with a trading margin of 15%, reflecting the general contraction in the UK economy.
- Investments in new ventures continuing, notably: JLTOnline and BenPal as online providers and Thistle, a managing general underwriter.

Dominic Burke, Chief Executive, commented:

"At our preliminary results in March 2009 I said that we had entered 2009 in good shape. Today's results are proof of that.

Our business model, current structure and strategy provide a sound platform for sustainable profitable growth. We have a strong balance sheet which gives us the flexibility to invest in developing our businesses, through bolt-on acquisitions, targeting talented individuals and identifying niche profitable operations and sectors.

Whilst the general economic background continues to be challenging, we continue to expect that 2009 will be a year of further progress for JLT."

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A presentation to investors and analysts will take place at 9.00am today at 6 Crutched Friars, London EC3N 2PH. A live webcast of the presentation can be viewed on the Group's website www.jltgroup.com.

FULL RELEASE FOLLOWS:

INTERIM STATEMENT

JLT achieved another strong trading performance in the six months period ended 30th June 2009. The financial performance including a comparison using constant rates of exchange (CRE) is summarised in the table below:

£m	1 st Half 2009							1 st Half 2008	
	Turnover			Trading Profit		Trading Margin		Trading	
	Actual	Growth	at CRE	Actual	at CRE	Actual	at CRE	Profit	Margin
Risk & Insurance:									
Retail	129.2	17%	8%	21.8	20.1	17%	17%	19.2	17%
London Market	137.1	22%	10%	33.5	28.1	25%	23%	24.9	22%
	266.3	19%	9%	55.3	48.2	21%	20%	44.1	20%
Employee Benefits	43.1	1%	-	6.5	6.4	15%	15%	7.3	17%
Central costs	0.3	-	-	(7.1)	(7.1)	-	-	(7.4)	-
	309.7	16%	8%	54.7	47.5	18%	17%	44.0	17%

Trading Profit	54.7	44.0
Investment income	3.3	7.1
Associates after tax	2.9	2.3
Net finance costs and other	(1.2)	-
Underlying profit before taxation	59.7	53.4
Net exceptional gains	1.6	-
Profit before taxation for the period	61.3	53.4
Taxation and minority interests	(18.8)	(16.3)
Profit after taxation and minorities	42.5	37.1
Underlying profit after taxation and minorities	41.1	37.1
Diluted earnings per share	19.9p	17.3p
Underlying diluted earnings per share	19.3p	17.3p

Turnover increased by 16% to £309.7 million compared to the same period last year, or 8% at CRE, comprising 5% organic growth and 3% attributable to acquisitions.

Underlying trading profit increased by 24% from £44 million to £54.7 million or 8% at CRE. The underlying trading margin improved from 17% to 18%.

Investment income on fiduciary funds was £3.3 million, compared to £7.1 million for the same period in 2008 reflecting the unprecedented low interest rates.

The contribution to profit after tax from our associates was higher at £2.9 million, relating mainly to our 20% owned French associate, Siaci Saint Honore.

Underlying profit before tax was £59.7 million, 12% ahead of the same period in 2008 but 3% behind at CRE, reflecting the decrease in investment income.

Profit before tax was £61.3 million compared to £53.4 million in the prior period. This includes a net exceptional gain of £1.6 million comprising an exceptional curtailment gain of £2 million resulting from the closure of a European defined benefit pension scheme offset by exceptional integration costs of £0.4 million in respect of Craven and Partners Limited acquired in December 2008.

Underlying profit after tax and minorities increased by 11% to £41.1 million. Underlying diluted earnings per share increased by 12% to 19.3 pence per share compared to 17.3 pence per share in the same period in 2008. Including the net exceptional gain, profit after tax and minorities increased by £5.4 million to £42.5 million resulting in diluted earnings per share increasing to 19.9 pence per share compared to 17.3 pence per share for the same period in 2008.

The Board has declared an unchanged interim dividend of 8.5p per share to be paid on 5th October 2009 to shareholders on the register at 4th September 2009.

STRATEGY

The results today reflect JLT's strategy which is outlined below:

- To continue to build a balanced business of Risk & Insurance and Employee Benefits both organically and by selective bolt-on acquisitions;
- To take full advantage of the Group's international reach and representation;
- To develop mutual reinforcement between the retail operations and JLT's London Market based specialisms;
- To build upon JLT's position as a leading provider of risk transfer services to US independent intermediaries; and
- To continue to provide high quality client service underpinned by efficient operational processes.

We believe that this approach puts JLT in the best position to generate sustainable profitable growth with the right balance of risk and financial advantage.

OPERATIONAL REVIEW

JLT operates in two key areas: Risk & Insurance which makes up 86% of the turnover and Employee Benefits which makes up the balance. Risk & Insurance is further split between the Retail and London Market businesses.

Risk & Insurance

Our Risk & Insurance businesses achieved strong growth. Combined turnover increased by 19% to £266.3 million or 9% at CRE, comprising 6% organic growth and 3% by acquisition. Underlying trading profit increased by 26% to £55.3 million in the period, representing an underlying trading margin of 21%, compared to 20% in the same period in 2008.

Retail

Our retail businesses around the world generated revenue growth in all regions.

Turnover grew by 17% to £129.2 million, or 8% at CRE, comprising 5% organic growth and 3% due to acquisitions. The trading margin was maintained at 17%.

£m	1st Half 2009							1st Half 2008	
	Turnover			Trading Profit		Trading Margin		Trading	
	Actual	Growth	at CRE	Actual	at CRE	Actual	At CRE	Profit	Margin
Australasia	44.4	8%	6%	11.9	11.7	27%	27%	11.5	28%
Asia	25.9	33%	6%	6.1	4.9	24%	24%	4.4	23%
Europe	32.1	12%	9%	1.1	1.2	3%	4%	0.9	3%
Canada	11.7	13%	2%	0.6	0.5	5%	5%	1.3	13%
Latin America	12.7	36%	23%	2.1	1.8	17%	16%	1.3	13%
Insurance Management	2.4	35%	8%	-	-	-	-	(0.2)	(11)%
	129.2	17%	8%	21.8	20.1	17%	17%	19.2	17%

Most territories achieved good growth in competitive market conditions reflecting strengthened management and the successful execution of our business plans.

Australasia, our largest retail group, achieved growth of 8% or 6% at CRE. This business continues to generate strong growth despite difficult economic conditions particularly in the mining and construction sectors. In Asia, we are seeing the benefits of investing in new senior staff with a 6% increase in turnover at CRE or a 33% increase including the benefits of currency.

In Europe, revenue growth was 12% or 9% at CRE, comprising 2% organic growth and 7% due to acquisitions including the internal transfer at the beginning of 2009 of our Scandinavian operations previously managed by Jardine Lloyd Thompson Limited. This is a creditable result

in highly competitive markets. The trading margin for Europe was 3% for the first half, unchanged on the same period last year. In 2008, the margin for the full year was 17% and we would expect a similar pattern for 2009, reflecting the higher second half phasing of profits generated by Italy, Spain and Poland.

Within our European operations, JLT Online continues to make excellent progress and is now an integral part of the retail group.

London Market

Our London Market businesses performed particularly strongly in the period with turnover increasing by 22% to £137.1 million, or 10% at CRE, comprising 8% organic growth and 2% by acquisition. The trading margin was 25% compared to 22% in the prior period.

These businesses are delivering on their strategic goals and this is reflected in the growth at both revenue and profit lines.

£m	1st Half 2009							1st Half 2008	
	Turnover			Trading Profit		Trading Margin		Trading	
	Actual	Growth	at CRE	Actual	at CRE	Actual	At CRE	Profit	Margin
Jardine Lloyd Thompson Limited	70.8	15%	6%	18.3	15.5	26%	24%	14.2	23%
Lloyd & Partners	31.1	21%	7%	7.2	5.5	23%	20%	5.4	21%
JLT Re	35.2	39%	24%	8.0	7.1	23%	23%	5.3	21%
	137.1	22%	10%	33.5	28.1	25%	23%	24.9	22%

Jardine Lloyd Thompson Limited, a leading group of specialist teams focused on selected industries, achieved revenue growth of 15%, or 6% at CRE, comprising 8% organic growth less 2% for the internal transfer of our Scandinavian activities into our European operations noted above. The trading profit margin increased to 26% from 23% for the corresponding period in 2008. The business is weighted towards the first half as was demonstrated in 2008 when the trading margin for the whole year was 16% after reporting 23% for the first half. We anticipate a similar trend in the overall trading profit margin for 2009 but our target remains to deliver steady year-on-year trading profit margin improvement and to achieve a trading margin of 20% for the full year by 2011.

Lloyd & Partners, a leading London Market broker, providing intermediaries in the US and elsewhere with access to insurance capacity in London, Bermuda and Europe, achieved strong revenue growth of 21%, 7% at CRE, with a trading margin of 23%. This reflects the increasing

contribution from key hires made over the past two years and also the benefits of collaboration across the Group which is broadening and improving the geographic mix of the business.

JLT Re, which comprises our reinsurance broking and aerospace businesses, had a strong performance with revenues increasing by 39% or 24% at CRE, representing 13% organic growth and 11% attributable to acquisitions. This performance reflects the successful integration of Harman Wicks & Swayne, acquired in 2008, and significant progress made by all parts of JLT Reinsurance and JLT Aerospace with substantial new business wins in both the UK and US.

We are continuing to invest in this business and are seeing increasing opportunities to recruit market leading professionals to deliver on our ambition to become the leading Aviation insurance broker.

Employee Benefits

Our Employee Benefits business has been affected by the general contraction in corporate discretionary spending and the reduction in the number of transactions of the types that generate activity within pension schemes.

The business has also been impacted by reduced fees earned for the administration of pension scheme banking arrangements for clients which are interest rate related. The impact on revenue in the first half was approximately £0.8 million with a similar effect expected in the second half of the year.

Turnover in Employee Benefits increased by 1% to £43.1 million while the trading profit was £6.5 million compared to £7.3 million in the prior period. The trading margin was 15%, compared to 17% in the prior period.

£m	1st Half 2009				1st Half 2008	
	Turnover		Trading		Trading	
	Actual	Growth	Profit	Margin	Profit	Margin
UK & Ireland	43.1	1%	6.5	15%	7.3	17%

Notwithstanding the difficult trading conditions, the underlying business remains strong and we continue to make progress in expanding our consultancy services whilst at the same time continue to focus on cost control.

We have invested considerably in our Online offering, BenPal, which provides efficient quality delivery and administration savings to employers and product providers while allowing scheme members maximum access and flexibility. The BenPal platform is one of the most advanced in

the market and is being rolled-out over the next year with a number of important clients already secured.

FOREIGN EXCHANGE

The Group's major currency transaction exposure arises in our London Market businesses which earn annual US dollar denominated revenues which represents approximately a quarter of the Group's annual revenue. As a consequence, the Group's results are highly sensitive to changes in the Sterling/US dollar exchange rate, each one cent movement in our achieved rate, after hedging, currently translating into a change of approximately £0.8 million per annum in revenue. Group policy is to continue to adopt a prudent approach to the management of these exposures by maintaining a rolling hedging programme.

At the end of July 2009, based on a conservative annual estimate of approximately US\$250 million of US dollar denominated revenues, we are some 85% hedged at an average rate of US\$1.72. For 2010 some 80% of dollar earnings are hedged at an average rate of US\$1.55, 50% is hedged for 2011 at an average rate of US\$1.49 and 25% hedged for 2012 at an average rate of US\$1.55.

BALANCE SHEET

The Group continues to have a strong balance sheet funded predominantly by equity of £224 million. Net debt remains low at £61 million with long term committed bank facilities equivalent to £254 million to December 2011. Gross borrowings as at 30th June 2009 were £115 million leaving unutilised committed headroom of £139 million.

The pension deficit increased by £57 million to £86 million due mainly to unfavourable market movements in the assumed long term inflation and corporate bond rates used to calculate the pension accounting liabilities.

NEW BUSINESS DEVELOPMENTS AND ACQUISITIONS

Thistle, our recently established Managing General Underwriter, is progressing well. The business plan is to provide comprehensive end to end underwriting services including product design, branding and responsibility for claims handling. The bulk of Thistle's income will be earned from a share in underwriting profits as opposed to up-front commissions. Thistle is now nearing the completion of the development of its proprietary technology platform which will deliver cost effective insurance solutions to brokers serving the SME market. Thistle's target is to handle £100 million of gross written premium in 2011.

In June 2009, Thistle acquired Ingham Underwriting, a Midlands based company providing insurance cover to a large number of small and mid-sized businesses through a nationwide network. The maximum purchase consideration is £14 million including a deferred contingent element of £4.5 million. In the year to February 2009, Ingham generated approximately £19 million of gross written premium.

OUTLOOK

Our experience continues to be that insurance market rates remain soft in most classes of business. In certain areas such as catastrophe affected risks, credit insurance and aviation we are seeing rates hardening, driven off the back of increased claims rather than scarcity of capital or a higher required return.

JLT is well placed in its chosen markets and will continue to invest in the further development of its businesses, including the recruitment of carefully selected senior professionals in order to accelerate our growth in targeted areas of activity.

Whilst the general economic background remains challenging, we continue to expect that 2009 will be a year of further progress for JLT.

Results follow:

Jardine Lloyd Thompson Group plc
Consolidated Income Statement
Unaudited results for the six months ended 30th June 2009

	Notes	6 months to 30th June 2009 £'000	6 months to 30th June 2008 £'000
Fees and commissions	3	309,667	266,187
Investment income		3,320	7,111
Salaries and associated expenses		(179,184)	(157,371)
Premises		(17,882)	(15,038)
Other operating costs		(50,540)	(44,628)
Depreciation, amortisation and impairment charges	4	(6,008)	(5,352)
Operating profit	2,3,4	59,373	50,909
Analysed as:			
Operating profit before exceptional items & impairment charges		57,773	50,909
Curtailment gain on closure of defined benefit scheme		1,969	-
Acquisition integration costs		(369)	-
Operating profit		59,373	50,909
Finance costs		(1,640)	(2,945)
Finance income		735	3,125
Net finance (costs)/income		(905)	180
Share of results of associates after tax and minority interests		2,854	2,290
Profit before taxation	3	61,322	53,379
Income tax expense	5	(17,829)	(15,528)
Profit for the period from continuing operations		43,493	37,851
Attributable to:			
Shareholders of the Company	3	42,507	37,062
Minority interests		986	789
		43,493	37,851
Earnings per share			
Basic	7	20.0p	17.3p
Diluted	7	19.9p	17.3p
Dividends per share	6	8.5p	8.5p

Jardine Lloyd Thompson Group plc
Consolidated Statement of Comprehensive Income
Unaudited results for the six months ended 30th June 2009

	6 months to 30th June 2009 £'000	6 months to 30th June 2008 £'000
Profit for the period	43,493	37,851
Other comprehensive income		
Actuarial (losses)/gains recognised in post retirement benefit schemes	(61,572)	2,626
Taxation thereon	17,382	(669)
	(44,190)	1,957
Fair value (losses)/gains net of tax		
- available-for-sale	(37)	(82)
- cashflow hedges	38,198	(1,655)
Currency translation differences	(16,673)	5,992
Other comprehensive income net of tax	(22,702)	6,212
Total comprehensive income for the period	20,791	44,063
Attributable to:		
Shareholders of the Company	19,805	43,274
Minority interests	986	789
	20,791	44,063

Jardine Lloyd Thompson Group plc
Consolidated Balance Sheet
Unaudited as at 30th June 2009

	Notes	As at 30th June 2009 £'000	As at 30th June 2008 £'000	As at 31st December 2008 £'000
NET OPERATING ASSETS				
Non-current assets				
Goodwill		203,676	174,577	196,992
Intangible assets		19,737	12,027	15,576
Property, plant and equipment		25,091	24,999	27,920
Investment in associates		39,914	31,956	42,764
Available-for-sale financial assets	8	6,716	10,270	10,956
Derivative financial instruments	9	16,297	-	3,725
Employee benefit trusts		410	971	517
Deferred tax assets		33,689	25,085	35,079
Retirement benefit surpluses	13	530	3,554	-
		346,060	283,439	333,529
Current assets				
Trade and other receivables	10	230,442	214,471	208,308
Derivative financial instruments	9	5,512	1,624	-
Available-for-sale financial assets	8	5,051	16,192	-
Cash and cash equivalents	11	571,146	437,114	511,495
		812,151	669,401	719,803
Current liabilities				
Borrowings		(2,170)	(1,191)	(497)
Trade and other payables	12	(672,083)	(553,001)	(627,669)
Derivative financial instruments	9	(1,950)	(106)	(24,101)
Current tax liabilities		(15,678)	(4,788)	(15,279)
Provisions for liabilities and charges	14	(19,337)	(25,032)	(14,365)
		(711,218)	(584,118)	(681,911)
Net current assets		100,933	85,283	37,892
Non-current liabilities				
Borrowings		(112,747)	(92,943)	(69,788)
Derivative financial instruments	9	(692)	(135)	(13,539)
Deferred tax liabilities		(4,896)	(8,563)	(6,451)
Retirement benefit obligations	13	(86,625)	(16,509)	(29,291)
Provisions for liabilities and charges	14	(18,188)	(7,072)	(19,853)
		(223,148)	(125,222)	(138,922)
		223,845	243,500	232,499
TOTAL EQUITY				
Capital and reserves attributable to the Company's equity holders				
Ordinary shares		10,691	10,669	10,676
Share premium	15	78,470	76,847	77,338
Fair value & hedging reserves	15	13,459	944	(24,702)
Exchange reserves	15	20,725	7,486	37,398
Retained earnings		95,229	143,542	126,456
Shareholders' equity		218,574	239,488	227,166
Minority interest		5,271	4,012	5,333
		223,845	243,500	232,499

Jardine Lloyd Thompson Group plc
Consolidated Statement of Changes in Equity
Unaudited results for the six months ended 30th June 2009

For the 6 months to 30th June 2009	Share capital £'000	Other reserves £'000	Retained earnings £'000	Shareholders' Equity £'000	Minority interest £'000	Total equity £'000
Balance at 1st January 2009	10,676	90,034	126,456	227,166	5,333	232,499
Actuarial losses recognised in post retirement benefit schemes	-	-	(44,190)	(44,190)	-	(44,190)
Fair value (losses)/gains net of tax	-	(37)	-	(37)	-	(37)
- available-for-sale	-	38,198	-	38,198	-	38,198
- cashflow hedges	-	(16,673)	-	(16,673)	(718)	(17,391)
Currency translation differences	-	-	-	-	-	-
Net gains/(losses) recognised directly in equity	-	21,488	(44,190)	(22,702)	(718)	(23,420)
Profit for the period	-	-	42,507	42,507	986	43,493
Total recognised income and expense for the period	-	21,488	(1,683)	19,805	268	20,073
Dividends paid	-	-	(25,491)	(25,491)	(330)	(25,821)
Shares acquired by the Employee Benefit Trust	-	-	(9,345)	(9,345)	-	(9,345)
Reversal of amortisation in respect of share based payments	-	-	5,292	5,292	-	5,292
Issue of share capital	15	1,132	-	1,147	-	1,147
Balance at 30th June 2009	10,691	112,654	95,229	218,574	5,271	223,845

For the 6 months to 30th June 2008	Share capital £'000	Other reserves £'000	Retained earnings £'000	Shareholders' Equity £'000	Minority interest £'000	Total equity £'000
Balance at 1st January 2008	10,667	80,939	127,694	219,300	3,163	222,463
Actuarial gains recognised in post retirement benefit schemes	-	-	1,957	1,957	-	1,957
Fair value (losses) net of tax	-	(82)	-	(82)	-	(82)
- available-for-sale	-	(1,655)	-	(1,655)	-	(1,655)
- cashflow hedges	-	5,992	-	5,992	180	6,172
Currency translation differences	-	-	-	-	-	-
Net gains recognised directly in equity	-	4,255	1,957	6,212	180	6,392
Profit for the period	-	-	37,062	37,062	789	37,851
Total recognised income and expense for the period	-	4,255	39,019	43,274	969	44,243
Dividends paid	-	-	(25,610)	(25,610)	(95)	(25,705)
Shares buy back programme	-	-	(1,070)	(1,070)	-	(1,070)
Reversal of amortisation in respect of share based payments	-	-	3,509	3,509	-	3,509
Change in minority interest shareholding	-	-	-	-	(25)	(25)
Issue of share capital	2	83	-	85	-	85
Balance at 30th June 2008	10,669	85,277	143,542	239,488	4,012	243,500

Jardine Lloyd Thompson Group plc
Consolidated Cash Flow Statement
Unaudited results for the six months ended 30th June 2009

		6 months to 30th June 2009 £'000	6 months to 30th June 2008 £'000
	Notes		
Cash flows from operating activities			
Cash generated from operations	17	19,207	4,578
Interest paid		(1,428)	(3,020)
Fair value gains on financial instruments		-	80
Interest received		4,383	7,994
Taxation paid		(14,665)	(4,989)
Increase in net insurance broking creditors		65,680	95,949
		<hr/>	<hr/>
Net cash from operating activities		73,177	100,592
Cash flows from investing activities			
Purchase of property, plant and equipment		(2,974)	(4,200)
Purchase of intangible fixed assets		(7,400)	(3,574)
Disposal of property, plant and equipment		233	370
Disposal of intangible fixed assets		33	373
Acquisition of businesses, (net of cash acquired)	18	(7,741)	(8,410)
Disposal of business, (net of cash disposed of)		-	732
Purchase of other investments		(711)	-
Disposal of other investments		27	11
		<hr/>	<hr/>
Net cash used in investing activities		(18,533)	(14,698)
Cash flows from financing activities			
Equity dividend paid		(25,068)	(25,396)
Net cash flows from investments and deposits		(162)	(13,373)
Purchase of investments by Employee Benefit Trust		(9,345)	-
Share buy back programme		-	(1,070)
Issue of ordinary shares		1,147	85
Net increase in borrowings		44,405	39,738
Dividend paid to minority shareholding		(330)	(95)
		<hr/>	<hr/>
Net cash from/(used in) financing activities		10,647	(111)
Net increase in cash and cash equivalents			
		65,291	85,783
Cash and cash equivalents at beginning of period		511,495	348,659
Effects of exchange rate changes		(5,640)	2,672
		<hr/>	<hr/>
Cash and cash equivalents at end of the period		571,146	437,114

Jardine Lloyd Thompson Group plc
Notes to the Interim Report
For the six months ended 30th June 2009

1. Accounting Policies

Basis of accounting

The financial statements for the six months ended 30th June 2009 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34, 'Interim financial reporting' as adopted by the European Union. These financial statements should be read in conjunction with the consolidated statutory accounts of the Company for the year ended 31 December 2008.

The unaudited results for the six months ended 30th June 2009 have been prepared under the historical cost convention as modified by the revaluation of available-for-sale investments and derivative financial instruments and using the accounting policies adopted in respect of the year ended 31st December 2008 which are in accordance with International Reporting Standards as adopted by the European Union (IFRS).

Taxes on income in the interim period have been accrued using the tax rates that are anticipated to be applicable for the full year result.

The financial information for the year ended 31st December 2008 relating to the Group set out above has been extracted from the full audited accounts of the Company for that period. Such financial information does not constitute statutory accounts of the Company for that period within the meaning of section 240 of the Companies Act 1985.

Consolidated statutory accounts for the Company for that period, upon which the auditors have given an unqualified report and which did not contain any statement under section 237 of the Act, have been delivered to the Registrar of Companies.

Full details of the audited accounts and accounting policies for the year ended 31st December 2008 are available at www.jltgroup.com.

Change in presentation

IAS 1 (revised), 'Presentation of financial statements' is mandatory for the first time for the financial year beginning 1st January 2009. The revised standard prohibits the presentation of items of income and expenses (that is 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in a performance statement.

Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The group has elected to present two statements: an income statement and a statement of comprehensive income. The interim financial statements have been prepared under the revised disclosure requirements.

Jardine Lloyd Thompson Group plc
Notes to the Interim Report
For the six months ended 30th June 2009

2. Alternative Income Statement

The format of the consolidated income statement on page 9 conforms to the requirements of IFRS. The alternative income statement set out below, which is provided by way of additional information, has been prepared on a basis that conforms more closely to the approach adopted by the Group in assessing its performance.

	6 months to 30th June 2009			
	Underlying profit £'000	Reclassification £'000	Exceptional items £'000	Total £'000
Fees and commissions	309,667	-	-	309,667
Salaries and associated expenses	(180,926)	-	1,742	(179,184)
Premises	(17,817)	-	(65)	(17,882)
Other operating costs	(50,469)	6	(77)	(50,540)
Depreciation, amortisation and impairment charges	(5,708)	(300)	-	(6,008)
Trading profit	54,747	(294)	1,600	56,053
Investment income	3,320	-	-	3,320
Profit on disposal of fixed asset investments	6	(6)	-	-
Amortisation of other intangibles	(300)	300	-	-
Operating profit	57,773	-	1,600	59,373
Net finance costs	(905)	-	-	(905)
Share of results of associates after tax and minority interests	2,854	-	-	2,854
Profit before taxation	59,722	-	1,600	61,322
	6 months to 30th June 2008			
	Underlying profit £'000	Reclassification £'000	Exceptional items £'000	Total £'000
Fees and commissions	266,187	-	-	266,187
Salaries and associated expenses	(157,371)	-	-	(157,371)
Premises	(15,038)	-	-	(15,038)
Other operating costs	(44,636)	8	-	(44,628)
Depreciation, amortisation and impairment charges	(5,142)	(210)	-	(5,352)
Trading profit	44,000	(202)	-	43,798
Investment income	7,111	-	-	7,111
Profit on disposal of fixed asset investments	8	(8)	-	-
Amortisation of other intangibles	(210)	210	-	-
Operating profit	50,909	-	-	50,909
Net finance income	180	-	-	180
Share of results of associates after tax and minority interests	2,290	-	-	2,290
Profit before taxation	53,379	-	-	53,379

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2. Alternative Income Statement cont'd

Segment information - reporting format reconciliation

6 months to 30th June 2009	London Market £'000	Retail £'000	Employee Benefits £'000	Head Office & Other £'000	Total £'000
Underlying trading profit	33,595	21,783	6,460	(7,091)	54,747
Profit on disposal of fixed asset investments	6	-	-	-	6
Amortisation of other intangibles	(19)	(85)	(196)	-	(300)
Exceptional items	(368)	1,461	507	-	1,600
Segment result	33,214	23,159	6,771	(7,091)	56,053
Investment income	1,797	1,514	7	2	3,320
Operating profit	35,011	24,673	6,778	(7,089)	59,373
6 months to 30th June 2008	London Market £'000	Retail £'000	Employee Benefits £'000	Head Office & Other £'000	Total £'000
Underlying trading profit	24,856	19,232	7,312	(7,400)	44,000
Profit on disposal of fixed asset investments	-	-	-	8	8
Amortisation of other intangibles	(23)	(61)	(126)	-	(210)
Segment result	24,833	19,171	7,186	(7,392)	43,798
Investment income	4,175	2,899	25	12	7,111
Operating profit	29,008	22,070	7,211	(7,380)	50,909

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3. Segment Information

Business segment analysis

Business segments: the Group is organised on a worldwide basis into four main segments: London Market, Retail, Employee Benefits and Head Office & Other operations. These segments are consistent with the internal reporting structure of the Group.

The London Market segment comprises JLT's specialist, wholesale and reinsurance broking activities. The Retail segment comprises the Group's international insurance broking and risk services activities. The Employee Benefits segment consists of pension administration, outsourcing and employee benefits consultancy. The Head Office & Other segment consists mainly of holding companies, central administration functions, the Group's captive insurance companies and the Group's principal investments in associates.

Segment results

In accordance with IFRS8, segment results include the net income or expense derived from the trading activities of the segment, together with the investment income earned on fiduciary funds. Interest income on the Group's own funds and finance costs are excluded since the trading activities of the Group's business segments are not of a financial nature.

Segment assets include:

- non current assets excluding investments in associates and deferred tax assets,
- trade and other receivables,
- fiduciary funds

Interest bearing assets (e.g. cash & cash equivalents and investments & deposits) relating to the Groups own funds are excluded from segmental assets.

Segment liabilities include:

- trade and other payables,
- provisions for liabilities and charges.

It excludes any interest bearing liabilities (e.g. borrowings) as well as income & deferred tax liabilities.

Items excluded from segmental allocation are referred to below as "unallocated".

Investments in associates: the Group owns 20 per cent of the French company Newstone Courtage (the holding company of Siaci Saint Honore) which operates principally in France. Although the investment and the company share of Newstones' net profit are excluded from the segmental analysis of assets and revenue, they are shown separately in conjunction with data from the Head Office & Other segment together with the investment and results from ICAP-JLT and JLT Re do Brazil. Group companies also own a number of small associates in Australia and Asia, which are included in the Retail segment.

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For the six months ended 30th June 2009

3. Segment Information cont'd

6 months to 30th June 2009	London Market £'000	Retail £'000	Employee Benefits £'000	Head Office & Other £'000	Unallocated £'000	Total £'000
Fees and commissions	137,103	129,220	43,113	231	-	309,667
Segment result	33,214	23,159	6,771	(7,091)	-	56,053
Investment income	1,797	1,514	7	2	-	3,320
Operating profit	35,011	24,673	6,778	(7,089)	-	59,373
Net finance cost	-	-	-	-	(905)	(905)
Share of results of associates after tax & minority interests	-	(16)	-	2,870	-	2,854
Profit before taxation	35,011	24,657	6,778	(4,219)	(905)	61,322
Income tax expense	-	-	-	-	(17,829)	(17,829)
Minority interests	-	-	-	-	(986)	(986)
Profit for the period	35,011	24,657	6,778	(4,219)	(19,720)	42,507
Segment assets	548,931	326,628	55,624	104,059	-	1,035,242
Associates	-	(54)	-	39,968	-	39,914
Unallocated assets	-	-	-	-	83,055	83,055
Total assets	548,931	326,574	55,624	144,027	83,055	1,158,211
Segment liabilities	(452,251)	(188,767)	(18,393)	(137,752)	-	(797,163)
Unallocated liabilities	-	-	-	-	(137,202)	(137,202)
Total liabilities	(452,251)	(188,767)	(18,393)	(137,752)	(137,202)	(934,365)
Other segment items						
Capital expenditure	1,294	1,882	2,708	4,490	-	10,374
Depreciation, amortisation and impairment	(358)	(2,819)	(469)	(2,362)	-	(6,008)

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3. Segment Information cont'd

6 months to 30th June 2008	London Market £'000	Retail £'000	Employee Benefits £'000	Head Office & Other £'000	Unallocated £'000	Total £'000
Fees and commissions	112,662	110,626	42,892	7	-	266,187
Segment result	24,833	19,171	7,186	(7,392)	-	43,798
Investment income	4,175	2,899	25	12	-	7,111
Operating profit	29,008	22,070	7,211	(7,380)	-	50,909
Net finance income	-	-	-	-	180	180
Share of results of associates after tax & minority interests	-	9	-	-	2,281	2,290
Profit before taxation	29,008	22,079	7,211	(7,380)	2,461	53,379
Income tax expense	-	-	-	-	(15,528)	(15,528)
Minority interests	-	-	-	-	(789)	(789)
Profit for the period	29,008	22,079	7,211	(7,380)	(13,856)	37,062
Segment assets	450,812	279,263	58,718	53,320	-	842,113
Associates	-	(24)	-	31,980	-	31,956
Unallocated assets	-	-	-	-	78,771	78,771
Total assets	450,812	279,239	58,718	85,300	78,771	952,840
Segment liabilities	(345,422)	(167,933)	(19,609)	(68,994)	-	(601,958)
Unallocated liabilities	-	-	-	-	(107,382)	(107,382)
Total liabilities	(345,422)	(167,933)	(19,609)	(68,994)	(107,382)	(709,340)
Other segment items						
Capital expenditure	804	3,520	590	2,860	-	7,774
Depreciation, amortisation and impairment	(275)	(2,593)	(507)	(1,977)	-	(5,352)

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4. Operating Profit

The following items have been charged/(credited) in arriving at operating profit:

	6 months to 30th June 2009 £'000	6 months to 30th June 2008 £'000
Foreign exchange losses/(gains):		
- Fees and commissions	12,428	(1,821)
- Other operating costs	90	331
	<hr/> 12,518	<hr/> (1,490)
Amortisation of intangible assets:		
- Software costs	1,271	926
- Other intangible assets	300	210
Depreciation on property, plant and equipment	4,437	4,216
	<hr/> 6,008	<hr/> 5,352
Total depreciation, amortisation and impairment charges		
Amortisation of intangible assets:		
- Employment contract payments (included in salaries and associated expenses)	1,281	1,267
	<hr/> 33	<hr/> (32)
Loss/(profit) on disposal of property, plant and equipment		
Available-for-sale financial assets		
- Fair value gains	(27)	(215)
- Gain on sale	(16)	(11)
	<hr/> (43)	<hr/> (226)
Exceptional items:		
Acquisition integration costs:		
- included in salaries and associated expenses	227	-
- included in premises costs	65	-
- included in other operating costs	77	-
	<hr/> 369	<hr/> -
Net curtailment gain on Irish pension scheme		
- curtailment gain	(2,047)	-
- professional fees	78	-
	<hr/> (1,969)	<hr/> -
Total exceptional items	<hr/> (1,600)	<hr/> -

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5. Income tax expense

	6 months to 30th June 2009 £'000	6 months to 30th June 2008 £'000
Current tax expense		
Current year	16,543	12,412
Under provided in prior periods	418	155
	16,961	12,567
Deferred tax expense		
Origination and reversal of temporary differences	1,908	1,594
Reduction in tax rate	194	85
Benefit of tax losses recognised	(209)	1,288
Prior period losses now recognised	(1,025)	(6)
	868	2,961
Total income tax expense in income statement	17,829	15,528

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the tax rate of the home country of the Company as follows:

	6 months to 30th June 2009 £'000	6 months to 30th June 2008 £'000
Profit before tax	61,322	53,379
Tax calculated at UK Corporation Tax rate of 28% (2008: 28.5%)	17,170	15,213
Non-deductible expenses	2,074	1,245
Share based payments	(111)	(48)
Other adjustments to taxable profit	(95)	-
Adjustments to tax charge in respect of prior periods	(594)	636
Effect of UK and non-UK tax rate differences	240	(868)
Tax on associates	(855)	(650)
Total income tax expense	17,829	15,528

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6. Dividends

	6 months to 30th June 2009 £'000	6 months to 30th June 2008 £'000
Final dividend in respect of 2009 of 12.0p per share (2008: 12.0p)	25,491	25,610

An interim dividend in respect of 2009 of 8.5p per share (2008: 8.5p) amounting to £18,071,000 (2008: £18,367,000) is payable on 5th October 2009 to shareholders who are registered at the close of business on 4th September 2009. This dividend will not be accounted for until it is paid. The ex-dividend date will be 2nd September 2009.

7. Earnings per Share

Basic earnings per share are calculated by dividing the profit attributable to shareholders by the weighted average number of ordinary shares in issue during the period, excluding unallocated shares held by the Trustees of the Employees' Share Ownership Plan Trust.

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares in issue to take account of the potential dilutive effect of outstanding share options.

Additional basic and diluted earnings per share are also calculated based on underlying earnings attributable to shareholders. A reconciliation of earnings is set out below.

	6 months to 30th June 2009 No. of shares	6 months to 30th June 2008 No. of shares
Weighted average number of ordinary shares in issue	212,290,379	214,276,337
Effect of outstanding share options	909,163	137,875
Adjusted weighted average number of shares	213,199,542	214,414,212

	2009			2008		
	£'000	Basic pence per share	Diluted pence per share	£'000	Basic pence per share	Diluted pence per share
<i>Earnings reconciliation</i>						
Underlying profit after taxation and minority interest	41,050	19.3	19.3	37,062	17.3	17.3
Exceptional items	1,600			-		
Taxation charge on exceptional items	(143)			-		
	1,457	0.7	0.6	-	-	-
Profit attributable to shareholders	42,507	20.0	19.9	37,062	17.3	17.3

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8. Available-for-sale financial assets

Available-for-sale financial assets are categorised according to their nature into one of two categories:

- 1) Investments and deposits, which consist mainly of Bonds, Commercial Paper and Fixed Deposits - these investments are held at fair value and are classified between current and non-current assets according to maturity date.
- 2) Other investments, which include securities and other investments held for strategic purposes - these investments are held at fair value unless a fair value cannot be accurately determined in which case they are held at cost less any provision for impairment.

For the 6 months ended 30th June 2009

	Other investments £'000	Investments & deposits £'000	Total £'000
At 1st January 2009	798	10,158	10,956
Exchange differences	(11)	107	96
Additions	711	-	711
Disposals	(11)	-	(11)
Revaluation deficit (included within equity)	29	(14)	15
	<hr/>	<hr/>	<hr/>
At 30th June 2009	1,516	10,251	11,767

Analysis of available-for-sale financial assets

Non-current	1,516	5,200	6,716
Current	-	5,051	5,051
	<hr/>	<hr/>	<hr/>

At 30th June 2009

	<hr/>	<hr/>	<hr/>
	1,516	10,251	11,767

Analysis of available-for-sale investments & deposits

Fiduciary	10,231
Own funds	20
	<hr/>

At 30th June 2009

<hr/>	10,251
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For the 6 months ended 30th June 2008

	Other investments £'000	Investments & deposits £'000	Total £'000
At 1st January 2008	846	11,291	12,137
Exchange differences	39	1,137	1,176
Additions	-	22,624	22,624
Disposals	-	(9,251)	(9,251)
Revaluation deficit (included within equity)	(154)	(70)	(224)
	<hr/>	<hr/>	<hr/>
At 30th June 2008	731	25,731	26,462

Analysis of available-for-sale financial assets

Non-current	731	9,539	10,270
Current	-	16,192	16,192
	<hr/>	<hr/>	<hr/>

At 30th June 2008

	<hr/>	<hr/>	<hr/>
	731	25,731	26,462

Analysis of available-for-sale investments & deposits

Fiduciary	25,530
Own funds	201
	<hr/>

At 30th June 2008

<hr/>	25,731
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9. Derivative financial instruments

	30th June 2009		30th June 2008	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Interest-rate swaps - cash flow hedges	-	-	-	(37)
Forward foreign exchange contracts - cash flow hedges	21,809	(2,642)	1,624	(204)
Total	21,809	(2,642)	1,624	(241)
Current	5,512	(1,950)	1,624	(106)
Non current	16,297	(692)	-	(135)
Total	21,809	(2,642)	1,624	(241)

The Group's treasury policies are approved by the Board and are implemented by a centralised treasury department. The treasury department operates within a framework of policies and procedures that establishes specific guidelines to manage currency risk, liquidity risk and interest rate risk and the use of counter-parties and financial instruments to manage these. The treasury department is subject to regular internal audit.

The Group uses various derivative instruments including forward foreign exchange contracts, interest rate swaps and forward rate agreements to manage the risks arising from variations in currency and interest earnings that arise from movements in exchange and interest rates. Derivative instruments purchased are primarily denominated in the currencies of the Group's main markets.

Where forward foreign exchange contracts have been entered into to manage currency risk, they are designated as hedges of currency risk on specific future cash flows, which qualify as highly probable transactions for which hedge accounting has been used. The Group anticipates that hedge accounting criteria will continue to be met on its foreign currency and interest rate hedging activities and that no material ineffectiveness will arise which will give rise to timing issues on gains and losses being recognised through the profit and loss account.

The fair value after tax of financial derivatives based upon market values as at 30th June 2009 and designated as effective cash flow hedges was £19.1m and has been deferred in equity. Gains and losses arising on derivative financial instruments outstanding as at 30th June 2009 will be released to the income statement at various dates up to forty two months from the balance sheet date. No material amounts were transferred to the income statement during the period in respect of the fair value of financial derivatives.

Transactions maturing within 12 months of the balance sheet date are classified in current maturities. Transactions maturing in a period in excess of 12 months of the balance sheet date are classified as non-current maturities.

a) Forward Foreign Exchange Contracts

The Group's major currency transaction exposure arises in USD and the Group continues to adopt a prudent approach in actively managing this exposure. As at 30th June 2009 the Group had outstanding forward foreign exchange contracts, principally in USD, amounting to a principal value of £447,793,838.62 (2008: £142,869,381).

b) Interest Rate Swaps and Forward Rate Agreements

The Group uses interest rate hedges, principally interest rate swaps, to mitigate the impact upon interest earnings and expense of changes in interest rates. The notional principal amounts of outstanding interest rate swaps and FRAs as at 30th June 2009 was nil (2008: USD nil, GBP 10,000,000).

c) Price risk

The Group does not have a material exposure to commodity price risk.

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10. Trade and other receivables

	As at 30th June 2009 £'000	As at 30th June 2008 £'000
Current receivables and prepayments		
Trade receivables	170,196	148,266
Less: Provision for bad debt	(12,260)	(11,318)
Trade receivables - net	157,936	136,948
Other debtors	55,344	61,228
Prepayments	17,162	16,295
Trade and other receivables	230,442	214,471

11. Cash & Cash equivalents

	As at 30th June 2009 £'000	As at 30th June 2008 £'000
Cash at bank and in hand	134,943	164,569
Short term bank deposits	436,203	272,545
	571,146	437,114
Fiduciary	517,318	382,375
Own funds	53,828	54,739
	571,146	437,114

The effective interest rate and average maturity in respect of short term deposits was 0.88% (2008: 6.93%). These deposits have an average maturity of 25 days (2008: 7 days).

12. Trade and other payables

	As at 30th June 2009 £'000	As at 30th June 2008 £'000
Insurance creditors	527,569	407,905
Social security and other taxes	10,858	11,107
Other creditors	82,038	77,693
Accruals and deferred income	51,618	56,296
Trade and other payables	672,083	553,001

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13. Retirement benefit obligations

The Group operates a number of pension schemes throughout the world, the most significant of which are of the defined benefit type and operate on a funded basis. The principal pension schemes are the Jardine Lloyd Thompson Pension Scheme in the UK, the JLT (USA) Employee Retirement Plan, the Pension Plan for Employees of Jardine Lloyd Thompson Canada Inc, the Jardine Lloyd Thompson Ireland Limited Pension Fund and the Jardine Matheson Executive Staff Retirement Plan (JMESRP), the Jardine Matheson Resident Staff Retirement Plan (JMRSRP) and the Menu Plan sections of the Jardine Matheson Group Retirement Plan in Hong Kong.

The charge for retirement benefit costs is as follows:

	6 months ended 30th June 2009			6 months ended 30th June 2008		
	UK £'000	Overseas £'000	Total £'000	UK £'000	Overseas £'000	Total £'000
Defined benefit schemes	(28)	1,760	1,732	903	(254)	649
Defined contribution schemes	(5,409)	(4,496)	(9,905)	(4,589)	(3,375)	(7,964)
Loss before taxation	(5,437)	(2,736)	(8,173)	(3,686)	(3,629)	(7,315)
	UK Scheme		Overseas Schemes		Total	
	6 months ended 30th June 2009 £'000	6 months ended 30th June 2008 £'000	6 months ended 30th June 2009 £'000	6 months ended 30th June 2008 £'000	6 months ended 30th June 2009 £'000	6 months ended 30th June 2008 £'000
Service cost	-	-	(204)	(727)	(204)	(727)
Settlement/curtailment	-	-	2,047	-	2,047	-
Total (included within salaries and associated expenses)	-	-	1,843	(727)	1,843	(727)
Interest cost	(11,937)	(12,704)	(1,667)	(1,405)	(13,604)	(14,109)
Expected return on assets	11,909	13,607	1,584	1,878	13,493	15,485
Total (included within investment income/(finance costs))	(28)	903	(83)	473	(111)	1,376
(Loss)/profit before taxation	(28)	903	1,760	(254)	1,732	649

The amounts disclosed in respect of both the UK and Overseas defined benefit schemes ("the schemes") have been projected from previous valuations of the schemes. They do not represent the results of a full actuarial valuation. The Group has updated its assumption regarding the discount rate applicable to the Scheme liabilities in line with current market information.

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13. Retirement benefit obligations cont'd

The amounts under IAS19 that have been recognised in the statement of comprehensive income in respect of the Schemes are set out below:

	6 months ended 30th June 2009				Total £'000
	UK Scheme		Overseas Schemes		
	£'000	%	£'000	%	
Actual return less expected return on Scheme assets	(10,360)		187		(10,173)
% of period end market value of Scheme assets		(2.90%)		0.5%	
Experience gains and losses arising on Scheme liabilities (1)	-		(2,832)		(2,832)
% of period end present value of Scheme liabilities (1)		-		(5.2%)	
Changes in assumptions underlying the present value of the Scheme liabilities	(49,998)		1,431		(48,567)
% of period end present value of Scheme liabilities		(11.6%)		2.6%	
Actuarial loss recognised in reserves (2)	(60,358)		(1,214)		(61,572)
% of period end present value of Scheme liabilities		(14.0%)		(2.2%)	

(1) calculation is only done as part of the year-end valuation of the scheme

	UK Scheme		Overseas Scheme		Total	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Defined benefit liability						
Present value of funded obligations	(431,381)	(401,004)	(54,348)	(48,751)	(485,729)	(449,755)
Fair value of plan assets	360,150	390,224	39,484	46,576	399,634	436,800
Net liability recognised in the balance sheet	(71,231)	(10,780)	(14,864)	(2,175)	(86,095)	(12,955)

	UK Scheme		Overseas Scheme		Total	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Reconciliation of defined benefit liability						
Opening defined benefit liability	(10,946)	(27,252)	(18,345)	(140)	(29,291)	(27,392)
Exchange differences	-	-	2,234	172	2,234	172
Pension expense	(28)	903	1,760	(254)	1,732	649
Employer contributions	101	10,000	701	990	802	10,990
Total (loss)/gain recognised in reserves (2)	(60,358)	5,569	(1,214)	(2,943)	(61,572)	2,626
Net liability recognised in the balance sheet	(71,231)	(10,780)	(14,864)	(2,175)	(86,095)	(12,955)

	Total	
	2009 £'000	2008 £'000
Defined obligation recognised in the balance sheet		
Retirement benefit surpluses	530	3,554
Retirement benefit obligations	(86,625)	(16,509)
	(86,095)	(12,955)

(2) amounts recognised in reserves have been taken through the statement of comprehensive income

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14. Provisions

	Property related provisions £'000	Litigation provisions £'000	Deferred consideration £'000	Acquisition integration provisions £'000	Total £'000
At 1st January 2009	8,556	17,364	7,870	428	34,218
Exchange adjustment	(13)	(153)	(204)	-	(370)
Adjustment to gross basis	-	(5)	-	-	(5)
Utilised in the period	(1,021)	(1,817)	(770)	10	(3,598)
Charged to the Income Statement	365	2,625	(36)	(65)	2,889
Interest charge	71	-	21	9	101
Acquisitions	-	-	4,290	-	4,290
At 30th June 2009	7,958	18,014	11,171	382	37,525

	Property related provisions £'000	Litigation provisions £'000	Deferred consideration £'000	Acquisition integration provisions £'000	Total £'000
At 1st January 2008	10,433	14,883	2,938	510	28,764
Exchange adjustment	-	84	61	-	145
Adjustment to gross basis	-	(18)	-	-	(18)
Utilised in the period	(2,009)	(1,550)	(333)	-	(3,892)
Charged to the Income Statement	-	2,070	-	-	2,070
Interest charge	98	-	27	11	136
Acquisitions	130	-	4,769	-	4,899
At 30th June 2008	8,652	15,469	7,462	521	32,104

	As at 30th June 2009 £'000	As at 30th June 2008 £'000
Analysis of total provisions:		
Non-current - to be utilised in more than one year	18,188	7,072
Current - to be utilised within one year	19,337	25,032
	37,525	32,104

Property related provisions

The Group recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract. Provision is made for the future rental cost of vacant property. In calculating the provision required, account is taken of the duration of the lease and any recovery of cost achievable from subletting. Property provisions occur principally in the USA and UK and relate to a variety of lease commitments. The longest lease terms for each country are to 2014 and 2016 respectively.

Litigation provisions

At any point in time the Group can be involved in a variety of litigation issues. A balance sheet provision is established in respect of such issues when it is probable that the liability has been incurred and the amount of the liability can be reasonably estimated. The Group analyses its litigation exposures based on available information, including external legal consultation where appropriate, to assess its potential liability. Where appropriate the Group also provides for the cost of defending or initiating such matters.

Jardine Lloyd Thompson Group plc
Notes to the Interim Report
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14. Provisions cont'd

Where a litigation provision has been made it is stated gross of any third party recovery; all such recoveries are included as "Other debtors" within trade and other receivables. At 30th June 2009, in connection with certain litigation matters, the Group's litigation provisions include an amount of £0.1m (2008: £0.2m) to reflect this gross basis and the corresponding insurance recovery has been included within trade and other receivables. This presentation has had no effect on the Consolidated Income Statement for the period ended 30th June 2009 (2008: nil).

Deferred consideration

Provision is made in respect of additional consideration payable following the initial completion of an acquisition. The value of the deferred consideration may be revised from time to time prior to final settlement.

Acquisition integration provisions

Represent costs expected to be incurred as a result of combining and restructuring operations following an acquisition. These costs are not associated with the ongoing activities of the company.

In accordance with the requirements of IAS 37 the Group has discounted certain provisions to their present value. The discount rate applied to each provision is appropriate to the nature of the provision and the location in which the liability occurs. The interest charge, represents the unwinding of the provision discounting, and has been included as part of "Finance costs" within the Consolidated Income Statement.

15 Other Reserves

For the 6 months to 30th June 2009	Share premium £'000	Fair value & hedging reserves £'000	Exchange reserves £'000	Total other reserves £'000
Balance at 1st January 2009	77,338	(24,702)	37,398	90,034
Fair value (losses)/gains net of tax				
- available-for-sale	-	(37)	-	(37)
- cashflow hedges	-	38,198	-	38,198
Currency translation differences	-	-	(16,673)	(16,673)
Net gains/(losses) recognised directly in equity	-	38,161	(16,673)	21,488
Issue of share capital	1,132	-	-	1,132
Balance at 30th June 2009	78,470	13,459	20,725	112,654

Jardine Lloyd Thompson Group plc
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15 Other Reserves cont'd

For the 6 months to 30th June 2008	Share premium £'000	Fair value & hedging reserves £'000	Exchange reserves £'000	Total other reserves £'000
Balance at 1st January 2008	76,764	2,681	1,494	80,939
Fair value (losses) net of tax				
- available-for-sale	-	(82)	-	(82)
- cashflow hedges	-	(1,655)	-	(1,655)
Currency translation differences	-	-	5,992	5,992
Net (losses)/gains recognised directly in equity	-	(1,737)	5,992	4,255
Issue of share capital	83	-	-	83
Balance at 30th June 2008	76,847	944	7,486	85,277

16. Qualifying Share Ownership Trust

During the period, the QUEST has allocated no ordinary shares to employees in satisfaction of options that have been exercised under the Jardine Lloyd Thompson Sharesave Schemes (2008: Nil).

Jardine Lloyd Thompson Group plc
Notes to the Interim Report
For the six months ended 30th June 2009

17. Cash generated from operations

	6 months to	6 months to
	30 June	30 June
	2009	2008
	£'000	£'000
Reconciliation of profit before taxation to cash generated from operations		
Cash flows from operating activities	£'000	£'000
Profit before taxation	61,322	53,379
Investment income receivable	(4,028)	(8,644)
Interest payable on bank loans and finance leases	1,427	2,809
Fair value gains on financial instruments	(27)	(215)
Pension finance charge/(income)	111	(1,376)
Unwinding of provision discounting	102	136
Depreciation	5,708	4,216
Amortisation of intangible assets	1,581	2,403
Amortisation of share based payments	5,292	3,509
Amortisation of employee benefit trust	175	346
Profit on disposal of fixed asset investments	(16)	(11)
Loss/(profit) on disposal of property, plant and equipment	33	(32)
Share of results of associates undertakings	(2,854)	(2,290)
Pension curtailment gain	(2,047)	-
Increase in trade and other receivables	(21,391)	(45,787)
(Decrease)/increase in trade and other payables - excluding insurance broking	(24,870)	8,229
Decrease in provisions for liabilities and charges	(714)	(1,831)
Decrease in retirement benefit obligation	(597)	(10,263)
Net cash inflow from operations	19,207	4,578

18. Business combinations

During the period, the process of finalising the provisional fair values in respect of acquisitions carried out during 2008 has been completed. In addition the deferred consideration booked in 2008 has been revised.

	Fair value	Provisional fair	Change in
	acquired	value reported	fair value
	£'000	at 31 Dec 2008	fair value
	£'000	£'000	£'000
HWS Holdings Limited	4,205	4,407	(202)
Anda Insurance Group	116	802	(686)
Others	(349)	(279)	(70)
	3,972	4,930	(958)

Jardine Lloyd Thompson Group plc
Notes to the Interim Report
For the six months ended 30th June 2009

18. Business combinations cont'd

These changes in fair values affected the following balance sheet classes:

	Fair value acquired	Provisional fair value reported at 31 Dec 2008	Reduction in fair value
	£'000	£'000	£'000
Property plant and equipment	47	43	4
Intangible assets	2	2	-
Trade and other receivables	6,004	5,424	580
Cash and cash equivalents			
Own cash	2,088	2,809	(721)
Fiduciary cash	13,399	13,068	331
Insurance creditors	(13,001)	(12,714)	(287)
Trade and other payables	(4,358)	(3,484)	(874)
Bank overdrafts	(4)	(4)	-
Current taxation	(157)	(83)	(74)
Deferred taxation	137	29	108
Provisions for liabilities and charges	(185)	(160)	(25)
	3,972	4,930	(958)
	Consideration reported at 30th June 2009 £'000	Consideration reported at 31st Dec 2008 £'000	Change in consideration £'000
HWS Holdings Limited	12,498	12,094	404
Anda Insurance Group	2,726	2,580	146
Others	4,639	4,619	20
	19,863	19,293	570
	Consideration reported at 30th June 2009 £'000	Consideration reported at 31st Dec 2008 £'000	Change in consideration £'000
Purchase consideration:			
- cash paid	14,743	14,607	136
- deferred consideration	5,120	4,686	434
Total purchase consideration	19,863	19,293	570
Fair value of net assets acquired	3,972	4,930	(958)
Goodwill	15,891	14,363	1,528

Jardine Lloyd Thompson Group plc
Notes to the Interim Report
For the six months ended 30th June 2009

18. Business combinations cont'd

During the period the following new business acquisition was completed:

	Acquisition Date	Percentage voting rights acquired	Cost £'000
Acquisition of new businesses completed during the period			
Ingham Holdings Limited	June 09	100%	<u>13,554</u>

On 8th June 2009 the Group announced the acquisition of Ingham Holdings Limited, with its two subsidiaries Ingham & Co (Liabilities) Limited and Ingham Underwriting Limited, a group of UK underwriting agencies focused on the SME market. The acquired business contributed revenue of £238,000 and a net profit of £65,000 to the Group for the period since acquisition. If the acquisition had taken place on 1st January 2009 the contribution to Group revenue and net profit would have been £1,696,000 and a net profit of £314,000 respectively.

	£'000
Purchase consideration	
- cash paid	9,723
- deferred consideration	<u>3,831</u>
	<u>13,554</u>
Fair value of net assets acquired	<u>1,040</u>
Goodwill	<u>12,514</u>

	Fair value £'000	Acquiree's carrying amount £'000
The assets and liabilities arising from the acquisition were as follows:		
Property plant and equipment	142	142
Trade and other receivables	517	517
Cash and cash equivalents		
Own cash	918	918
Fiduciary cash	1,590	1,590
Insurance creditors	(1,590)	(1,590)
Trade and other payables	(428)	(428)
Current taxation	(109)	(109)
	<u>1,040</u>	<u>1,040</u>

	£'000
Purchase consideration settled in cash	9,723
Cash and cash equivalents - own cash in subsidiary acquired	<u>(918)</u>
	8,805
Cash and cash equivalents - fiduciary cash in subsidiary acquired	<u>(1,590)</u>
Cash outflow on acquisition	<u>7,215</u>

As at the 30th June 2009, the process of reviewing the fair values of assets acquired had not been completed, consequently the fair values stated above are provisional.

Jardine Lloyd Thompson Group plc
Notes to the Interim Report
For the six months ended 30th June 2009

18. Business combinations cont'd

Group summary of the net assets acquired and goodwill:

	Ingham £'000	Total £'000
	£'000	£'000
Purchase consideration on acquiring occurring during the period	13,554	13,554
Less fair value on acquisition occurring during the period	1,040	1,040
	12,514	12,514
Goodwill on acquisition occurring during the period		1,528
Impact of revision to fair value adjustment and consideration in relation to acquisitions completed in 2008		1,528
Total Goodwill		14,042

19. Related Party Transactions

The Group has taken advantage of the exemption available under IAS 24, "Related Party Disclosures", not to disclose details of transactions with its subsidiary undertakings. There were no material related party transactions during the period.

20. Principal Risks

As with all businesses, the Group is exposed to a range of financial and operational risks, not wholly within our control, which could have a material impact on the Group's financial performance.

The principal risks to which the Group will be exposed in the second half of the financial year are substantially the same as those discussed on pages 32 to 34 of the Annual Report & Financial Statements for 2008.

Statement of Directors' Responsibilities

We confirm that to the best of our knowledge this Interim Report has been prepared in accordance with IAS 34 as adopted by the European Union, and that the interim management report herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- An indication of important events that have occurred during the first six months and their impact on the Interim Report, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- Material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

On behalf of the Board

J W Rush

Finance Director

31st July 2009

Independent Review Report to Jardine Lloyd Thompson Group plc

Introduction

We have been engaged by Jardine Lloyd Thompson Group plc to review the financial information in the interim report for the six months ended 30 June 2009, which comprises the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated cash flow statement and related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the interim financial information.

Directors' responsibilities

The interim report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The financial information included in this interim report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our responsibility

Our responsibility is to express to Jardine Lloyd Thompson Group plc a conclusion on the interim financial information based on our review. This report, including the conclusion, has been prepared for and only for Jardine Lloyd Thompson Group plc for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report for the six months ended 30 June 2009 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

PricewaterhouseCoopers LLP
Chartered Accountants
London
31st July 2009

Notes:

- The maintenance and integrity of the Jardine Lloyd Thompson Group plc website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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